

**STATE OF ILLINOIS
LIQUOR CONTROL COMMISSION**

In the Matter of:	)	No. 12 C 100220
	)	No. 12 C 100221
City Beverage – Markham, LLC)	
d/b/a/ City Beverage Markham	)	LIC: 12-2A-102035; 12-2B-69574
2064 W. 167 th St.	)	Exp: 9/30/2012
Markham, IL 60428	)	IBT: 5524-4025
 In the Matter of:	)	No. 12 C 100222
	)	No. 12 C 100223
City Beverage – Markham, LLC)	
d/b/a/ City Beverage –Arlington Heights	)	LIC: 12-2A-102034; 12-2B-69575
1401 E. Algonquin Rd.	)	Exp: 9/30/2012
Arlington Heights, IL 60005	)	IBT: 3665-2202
 In the Matter of:	)	No. 12 C 100218
	)	No. 12 C 100219
Chicago Distributing LLC)	
d/b/a/ City Beverage - Chicago	)	LIC: 12-2A-96603; 12-2B-64729
4841 S. California Ave.	)	Exp: 10/31/2012
Chicago, IL 60632	)	IBT: 5515-9060
 In the Matter of:	)	No. 12 C 100216
	)	No. 12 C 100217
City Beverage LLC)	
d/b/a/ City Beverage	)	LIC: 12-2A-98399; 12-2B-61392
1105 E. Lafayette Ave.	)	Exp: 3/31/2013
Bloomington, IL 61701)	IBT: 5509-8851

WEDCO'S MOTION TO DISMISS ALL CLAIMS AGAINST RESPONDENTS

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ILCC LEGAL

Wholesaler Equity Development Corporation (“WEDCO”) respectfully moves the Illinois Liquor Control Commission (the “ILCC”) to dismiss with prejudice all license revocation claims asserted in these proceedings and continue to allow WEDCO to retain its 30 percent interest in CITY Beverage. In support of this motion, WEDCO submits herewith a supporting memorandum of law, and further states as follows:

1. There is no provision of the Illinois Liquor Control Act of 1934 (the “Liquor Control Act”) that prohibits a brewer or NRD from owning a 30% interest in a distributor. Indeed, Section 5/6-4(a), the “Prohibited Transactions and Interests” provision of the Liquor Control Act, is very specific in its prohibition of certain manufacturers, such as wine manufacturers and distillers, and their affiliates and shareholders owning more than a certain percentage of a distributor. Not only is there no prohibition against a brewer owning a distributor, there is no prohibition in the Liquor Control Act that applies to the specific circumstance here—a brewer maintaining an indirect (through a common parent), 30% interest in a distributor. Thus, the Legal Division is unable to establish that WEDCO’s 30% stake in CITY Beverage violates the Liquor Control Act.

2. Second, this action should be dismissed because in connection with the Special Session held on March 2, 2010, the ILCC already considered the relevant legal and factual arguments advanced by the Legal Division and determined to allow WEDCO to maintain its 30% interest in CITY Beverage based on the history and facts of this case. The Legal Division’s current Citations and Notices of Hearing are essentially a bid for reconsideration of that ruling. There has been no change in the relevant facts and circumstances and thus the ILCC should dismiss the Citations and Notices of Hearing.

WHEREFORE, for the foregoing reasons, the ILCC should dismiss with prejudice all license revocation claims asserted in these proceedings and continue to allow WEDCO to retain its 30 percent interest in CITY Beverage.

Dated: July 18, 2012

/s/ Irene F. Bahr

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Counsel for Anheuser-Busch, Inc. and WEDCO

Proof of Service

Now comes the undersigned, an attorney, and does hereby state that the above motion and memorandum in support thereof was served on July 18, 2012, and was served via e-mail and hand delivery on Stephen B. Schnorf, Michael V. Casey, and Richard Haymaker, Illinois Liquor Control Commission, at 100 W. Randolph St., Room 7-801, Chicago, IL 60601, and on Thomas J. Verticchio, counsel for the CITY Beverage licensees, at 330 N. Wabash, Suite 3300, Chicago, IL 60611.

/s/ Edward M. Crane

Edward M. Crane